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DEPARTMENT FOR SA, SA/INS; NSC FOR E. MILLARD

LONDON FOR POL/RIEDEL

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TAGS: [PGOV](#) [PTER](#) [PHUM](#) [PINR](#) [CE](#) [IN](#) [LTTE](#)

SUBJECT: Key GSL Minister sets low expectations for Berlin round and expresses deep concerns about the LTTE

Refs: Colombo 184, and previous

(U) Classified by Lewis Amselem, Deputy Chief of Mission. Reasons 1.5 (b, d).

1. (C/NF) SUMMARY: The Ambassador met with Minister Milinda Moragoda on February 1. Moragoda set low expectations for the February 7-8 GSL-LTTE talks in Berlin and expressed concerns about Tamil Tiger activities. He also elaborated on his efforts to convince India to engage more re the peace process. On the domestic front, he did not think parliamentary elections were in the immediate offing, but thought it possible that the president might try for elections in selected localities to test the GSL. While he was not hitting the panic button, our sense was that Moragoda felt the government had its hands full. END SUMMARY.

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Low Expectations for Berlin
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2. (C/NF) The Ambassador and DCM met February 1 with Milinda Moragoda, the GSL Minister of Economic Reform and a key player on peace process issues. Moragoda set low expectations for the GSL talks with the Liberation Tigers of Tamil Eelam (LTTE) slated to take place in Berlin, February 7-8. (Note: The Berlin talks will constitute the fifth round of talks held between the two sides since September 2002.) He said he did not expect any breakthroughs in Berlin. That was unfortunate because the peace process could use the additional momentum, he remarked. (Note: According to most reports, the Berlin talks are slated to focus mainly on human rights and humanitarian issues.)

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Deepening Worries about the LTTE
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3. (C/NF) Moragoda expressed deep concern about LTTE activities, seeing the group as becoming increasingly aggressive. In particular, the situation in the multi-ethnic east was a real problem, as the LTTE worked to expand its influence there. The pattern of Tiger activities, in turn, was leading to more extremism among Muslims, forcing the government to watch the potentially combustible situation in the east very closely. He added that LTTE eastern leader Karuna was proving not to be very cooperative with the GSL. He wondered whether the LTTE high command in the north had any real control over its eastern command, given that the LTTE leadership had repeatedly said it wanted its cadre to work with the government.

4. (C/NF) As an example of problems with the LTTE in the east, Moragoda reviewed an incident that received a lot of local press coverage last week. During a late January visit to Batticaloa, Moragoda related that he had come across a large billboard (a "hoarding" as Moragoda called it) at the entrance to the city. The sign carried a blatantly pro-LTTE message. Noting that the sign was on government property, Moragoda told the police to tear it down, which they did, but the next day pro-LTTE Tamils put it back up. Acting at Moragoda's instructions, the police then tore it down again and destroyed it. Moragoda noted that the police had acted reluctantly in dealing with the matter.

5. (C/NF) Trying to explain the dynamics of the situation in the east, Moragoda commented that several factors seemed to be underlying the pattern of LTTE misbehavior. First, the Tigers were a "wild bunch" in general and it would take a long time to "domesticate" them. Second, the LTTE was clearly taking advantage of lax law enforcement by the police and military. Moragoda said he had spoken with security force officials in the east about this, advising them to

enforce all laws (see Batticaloa sign incident above). The officials responded that they were worried about doing this due to the potential ramifications for the peace process should they come down hard on the LTTE. Moragoda said he told them just to do their jobs. Third, Moragoda said the Tigers were clearly "hedging their bets" out of a deep concern that anti-peace process elements could gain the upper hand in the south (see Paras 10-11). All that said, Moragoda stressed that the government had to let the LTTE know there were "boundaries" that it could not cross.

16. (C/NF) In other comments re the Tigers, Moragoda related that the group did not seem to have any intention of moving to stop its use of child soldiers (see Reftels). In fact, Moragoda remarked, the LTTE's positioning on the issue seemed to be getting worse. In the past, the group denied that it was recruiting children, but now it was basically admitting that it did, but saying "so what." Explaining this phenomenon, Moragoda said he thought that many of the Tigers had been brought into the group basically as children and saw no problem with that fact. (Note: UNICEF Executive Director Carol Bellamy met with the LTTE last week and pressed the group on the forced child recruitment issue. As they have in the past, the Tigers essentially promised to do better, without making any firm guarantees.)

17. (C/NF) Returning to a theme he has touched on previously (see Reftels), Moragoda said he was deeply concerned for the future of the peace process if chief LTTE negotiator Anton Balasingham left the scene. He said Balasingham was very ill, much more so than many people thought (see Reftels), and it was questionable whether he could remain involved in the talks. (Note: The February talks were recently shifted to Berlin from Bangkok at the LTTE's request, so they could be held closer to Balasingham's London home.) If anything happened to Balasingham, Moragoda said he was not sure whom in the LTTE had the ability to replace him as chief LTTE negotiator. S.P. Thamilselvam, the political assistant to LTTE leader V. Prabhakaran, did not, nor did Karuna, the LTTE leader in the east.

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Re India
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18. (S/NF) Shifting focus, Moragoda related that he continued to try to get India more involved in Sri Lanka's peace process. (Note: Moragoda wanted his comments on this matter to be kept strictly confidential.) Re the GoI situation, Moragoda said he

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was convinced that there was a split between the National Security Adviser's office and RAW on one hand, and the Ministry of External Affairs on the other, with the former wanting to assume a more activist posture on Sri Lanka than the latter.

19. (S/NF) Moragoda said he was urging RAW to get more involved and he had heard that the agency was thinking of trying to make contact with the LTTE. In fact, RAW might try to contact Balasingham during the LTTE negotiator's planned visit to LTTE-controlled northern Sri Lanka later this month. Moragoda noted that he planned to visit India later in February with Prime Minister Wickremesinghe. On that trip, he (Moragoda) planned to meet with Sonia Gandhi, the Congress Party leader, at the request of National Security Adviser Mishra. The idea was to brief her on the peace process and try to moderate her strongly anti-LTTE views. (Note: Mrs. Gandhi's husband, former Prime Minister Rajiv Gandhi, was assassinated by the LTTE in 1991.)

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Domestic Situation
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10. (C/NF) In regard to the domestic political situation, Moragoda said he did not expect President Kumaratunga to dissolve Parliament and call new elections soon. (Note: Per Reftels, Kumaratunga and other politicians from her People's Alliance party have recently raised the idea of early elections in various public statements.) Explaining why she might not do so, Moragoda advised that in his estimation the president and the PA did not want early elections because they would probably lose seats, with the United National Front (UNF) governing coalition at least holding its own. If elections were held, he also predicted that the Tamil National Alliance and the radical Jananatha Vimukthi Peramuna (JVP) party would gain seats (the JVP gaining at the expense of the PA). He added that he thought that early elections would decimate the Sri

Lanka Muslim Congress (SLMC), which was seriously hobbled by fierce party infighting.

11. (C/NF) Although early parliamentary elections were probably not in the cards, Moragoda said Kumaratunga might call provincial elections in order to "test" the GSL's popularity. (Note: The PA controls most of Sri Lanka's provincial councils, which are elected bodies.) In particular, she might try to call an election for the Southern Province, an area where the PA might be expected to do well. (Note: The PA has traditionally been quite strong in the mainly Sinhalese Buddhist south of the country.) Moragoda noted that he had picked up some rumblings that Buddhist monks and others were not happy with the peace process, feeling that the government was giving too much to the LTTE. If this was the case, the GSL could be becoming politically exposed in the south.

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COMMENT
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12. (C/NF) While he was not hitting the panic button, our overall sense from the discussion with Moragoda was that he was worried that the government was drifting a bit and must work harder to keep the initiative. In particular, he felt that the Tigers were a big problem, and the GSL had to find a way to engage the group firmly and effectively, so that the peace process was not disrupted. At the same time, the GSL was under pressure on the domestic front, with the president proving non-cooperative on the peace process and in regard to economic reform. Although she might not call elections soon, Moragoda said she was looking for every opportunity to slam the government. Given this tricky confluence of factors, Moragoda was clearly sweating it out a bit, but was seemingly hopeful that more Indian involvement could bring pressure on the LTTE and help the GSL's peace initiative. END COMMENT.

13. (U) Minimize considered.

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